

CITY OF HARPER WOODS  
BOARD OF TRUSTEES  
EMPLOYEES RETIREMENT SYSTEM  
JANUARY 23, 2006

MEETING MINUTES

The Employees Retirement System Meeting was called to order by Chairperson James Burke at 7:00 p.m.

ROLL CALL

PRESENT: Chairperson James Burke, Vice Chairperson Michael P. Monaghan and Trustee(s) Nathan Butler, Steve Matthews, Kenneth A. Poynter and John Szymanski.

ABSENT: Trustee Maria Nawrocki.

OTHERS PRESENT: Mickey D. Todd, Secretary and Michael Holycross of Morgan Stanley.

ERS 01-01-06

EXCUSE TRUSTEE NAWROCKI

MOTION by Monaghan, SUPPORTED by Szymanski:  
To excuse Trustee Maria Nawrocki from today's meeting because of a prior commitment.

ABSENT: Nawrocki.

MOTION CARRIED

ERS 01-02-06

MINUTES

MOTION by Matthews, SUPPORTED by Szymanski:  
To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held November 28, 2005.

ABSENT: Nawrocki.

MOTION CARRIED

ERS 01-03-06

CONSENT AGENDA

RESOLUTION by Poynter, SUPPORTED by Monaghan:

BE IT RESOLVED to approve Consent Agenda items (a) through (i):

- a. Receive and file the quarterly financial reports from Franklin Templeton Investments and Orleans Capital Management.
- b. Approve quarterly payments to Franklin Templeton Investments (\$16,352.81), and Orleans Capital Management (\$6,315.32).
- c. Approve quarterly payment to Morgan Stanley for Financial Consultant Services. (\$15,855.67)
- d. Receive and file the Financial Statements from Comerica Bank for the fourth quarter of 2005.
- e. Approve payment to Comerica Bank for Trustee Services for the fourth quarter of 2005. (\$5,167.21)
- f. Receive and file retirement letter and Election of Type of Pension from Fire Fighter Clifford Weidel.
- g. Approve designation of "List of Authorized Signers" to Comerica.
- h. Receive, approve and file Retirement Board calendar for 2006.
- i. Receive and file Summary Annual Reports for 2004. (Attachment #1)

ROLL CALL VOTE

YES: Butler, Matthews, Monaghan, Poynter, Szymanski and Burke.

NO: None.

ABSENT: Nawrocki.

RESOLUTION ADOPTED

ERS 01-04-06

FINANCIAL CONSULTANTS MANAGED ACCOUNT  
REPORT - MORGAN STANLEY DEAN WITTER

MOTION by Monaghan, SUPPORTED by Szymanski:

To receive and file the Managed Account Report for the quarter ending December 31, 2005, as submitted by Michael Holycross of Morgan Stanley.

ABSENT: Nawrocki.

MOTION CARRIED

Mr. Michael Holycross of Morgan Stanley presented the quarterly report, and answered any questions.

ERS 01-05-06      2006 STATEMENT OF INVESTMENT POLICY  
OBJECTIVES AND GUIDELINES

MOTION by Monaghan, SUPPORTED by Poynter:

To table adoption of the 2006 Statement of Investment Policy, Objectives and Guidelines for the retirement system portfolio as submitted by Michael Holycross of Morgan Stanley, until the March meeting.

ABSENT: Nawrocki.

MOTION CARRIED

ERS 01-06-06      2006 ASSET ALLOCATION

RESOLUTION by Poynter, SUPPORTED by Szymanski:

BE IT RESOLVED to adopt the following Asset Allocation for 2006 as recommended by Michael Holycross of Morgan Stanley, and as shown in Attachment #2, and furthermore, concur with Mr. Holycross' recommendation to re-balance the portfolio and add a Mid-Cap and an International Emerging Market allocation to the portfolio.

ROLL CALL VOTE

YES: Matthews, Monaghan, Poynter, Szymanski, Burke and Butler.

NO: None.

ABSENT: Nawrocki.

RESOLUTION ADOPTED

ERS 01-07-06      ELECTION OF CHAIR AND VICE-CHAIR FOR 2006

MOTION by Poynter, SUPPORTED by Szymanski:

To re-elect Trustee James Burke as Chairperson for 2006, and Trustee Michael Monaghan as Vice-Chairperson for 2006.

ABSENT: Nawrocki.

MOTION CARRIED

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

ERS 01-08-06

ADJOURNMENT

MOTION by Monaghan, SUPPORTED by Szymanski:  
That the agenda of the regular Board of Trustees Employees Retirement System Meeting having  
been acted upon the meeting is hereby adjourned at 8:00 p.m.

ABSENT: Nawrocki.

MOTION CARRIED

\_\_\_\_\_  
JAMES BURKE, CHAIRPERSON

\_\_\_\_\_  
MICKEY D. TODD, SECRETARY

# CITY OF HARPER WOODS RETIREMENT SYSTEM

## SUMMARY ANNUAL REPORT TO MEMBERS JANUARY 1, 2005

Dear Retirement System Member:

With the passage of Public Act 485 of 1996, amending Public Act 314 of 1965, the Retirement Board is now required to provide an annual report to its members hi-lighting the previous year's activities. This summary is our attempt to provide you with this information, and we hope that you find it useful. If you have any suggestions on improving this summary, please contact your representative.

The Retirement System, which is managed by the Retirement Board, is designed to help you meet your financial needs should you become disabled, retire or die. The Board's fiduciary responsibility to you is to supervise the general administration of the System and invest its assets. Our Board retains professional consultants and money manager's to assist us in fulfilling these duties.

We hope you find this summary helpful, however, it obviously cannot cover all the details of the System, which is governed by the provisions of the City's Charter, the City's retirement ordinance, and the Board's policies. Additional information about the System and its financial operation is available in the City Clerk's Office.

Retirement Board of Trustees,

Tim Collins, Citizen Trustee  
Clifford Weidel, Fire Rep.  
James Burke, Police Rep.  
John Szymanski, Councilman  
Michael Monaghan, Councilman  
Kenneth A. Poynter, Mayor  
William Snyder, Gen. Emp. Rep.

### Investment Consultants

Michael Holycross, of Morgan Stanley Dean Witter.

### Investment Manager's

Fiduciary Management Associates  
Orleans Capital Management  
MFS Investment Management  
Loomis Sayles  
Franklin Templeton

Actuaries & Consultants

Rodwin Consulting Company, Actuaries

SUMMARY OF CURRENT ASSET INFORMATION

Revenues & Expenditures  
2004

Market Value Jan 1        \$37,551,602

Revenues

Member Contributions    \$ 442,046

City Contributions    \$    0    Gross Investment Income \$ 3,369,387

Total                    \$ 3,811,433

Expenditures

Benefit payments    \$ 1,865,361    Refund of contributions \$ 949,444

Admin & investment exp. \$ 9,562

Total                    \$ 2,824,367

Total Rev minus Exp    \$ 987,066

Market Value - Dec 31   \$38,538,668

INVESTMENTS  
December 31, 2004

Cash & Equivalents	0%
Equities	66.00%
Fixed Income	34.00%
Other	0%

The market rate of return on assets for year ended December 31, 2004 was 10%. The interest rate credited to employee contributions was 1.4%.

ACTUARIAL VALUATION SUMMARY RESULTS

Your retirement system's financial objective is to establish and receive contributions which will remain approximately level from year to year and will not have to be increased for future generations of taxpayers. Contribution levels are expressed in terms of percent's of the City's active member payroll.

To determine an appropriated Employer contribution level for the ensuing year and to gauge how the system's funding is meeting this fundamental objective, an independent firm of actuaries and employee benefit consultants, Rodwin Consulting Company conducts annual actuarial valuations.

These valuations are based on your System's past experience, information about current participation and financial markets, and assumptions concerning the System's future demographic and economic activity. The results of the December 31, 2004 valuation, based on the established funding objective, are summarized below:

FISCAL YEAR 2004 EMPLOYEE	CONTRIBUTION RATES AS A
---------------------------	-------------------------

PERCENTAGE OF ACTIVE MEMBER PAYROLL
-------------------------------------

**CONTRIBUTIONS FOR GENERAL MEMBERS**

Normal Cost Of Benefits			
City portion	8.32%	Member portion	<u>5.08%</u>
Total	13.40%		
Amortization of unfunded liability			
	0%		
City's Net Contribution Rate	7.21%		

**CONTRIBUTIONS FOR POLICE & FIRE**

Normal Cost Of Benefits	
City portion	11.27%
Member portion	<u>7.25%</u>
Total	18.52%
Amortization of unfunded liability	
	0%
City's Net Contribution Rate	10.16%

**Funded Status            \$ Millions**

Actuarial accrued lib.	\$39.9	
Actuarial value of assets	\$40.5	
% funded		101.5%

**Actuary's Opinion**

It is the actuary's opinion that the Retirement System is in excellent financial condition in accordance with the actuarial objective of keeping the percent of active member payroll financing level.

**BRIEF SUMMARY OF PLAN PROVISIONS**

**Regular Retirement:**

Eligibility - General: Age 60 with 10 or more years of service.

DPW and General Administrators: Age 60 with 10 or more years of service or age 55 with 25 or more years of service.

Police: Age 50 with 25 or more years of service or age 55 regardless of years of service.

Fire: Age 50 with 25 or more years of service or age 55 with 10 or more years of service.

Annual Benefit - Administrators: 2.25% of final average salary per year of service. Max benefit is 80% FAS.

DPW/General: 2.25% of final average salary per year of service.

Fire/Police: 2.75% of final average salary per year of service. Max benefit 80% of FAS.

Type of Final Average Salary: DPW-General: Highest 5 consecutive years out of last 10.

Police Command and Administrators: Highest 3 consecutive years out of last 10.

Police Patrol/Fire: Highest 3 consecutive years out of last 5.

Salary is defined in labor contracts.

**Deferred Retirement (vested):**

Eligibility - 10 or more years of service.

General: Benefits begin at age 60.

Police-Fire: Benefits begin at age 55.

Annual Benefit - Computed as regular retirement but based upon service and final average salary at time of termination. Fifty percent reduction for Police if service is less than 15 years.

**Duty Disability Retirement:**

Eligibility - Total and permanent disability, no age or service requirement. Workers' Compensation must become

payable on account of disability.

*Annual Benefit* - Computed as regular retirement with a minimum benefit of 15% of final average salary. At termination of Worker's Compensation period, service credit will be given for the years in receipt of Worker's Compensation and pension will be recomputed.

**Non-Duty Disability Retirement:**

*Eligibility* - Total and permanent disability after 10 or more years of service.

*Annual Benefit* - Computed as regular retirement based upon service and final average salary at time of termination.

**Duty Death Before Retirement:**

*Eligibility* - No age or service requirement. Worker's Compensation must become payable on account of death.

*Annual Benefit* - Refund of accumulated contributions plus a benefit equal to the Worker's Compensation payment to the surviving spouse, unmarried children under 18 and dependent parents. Benefits are payable upon termination of Worker's Compensation and continue for life or until remarriage.

**Non-Duty Death Before Retirement:**

*Eligibility* - 10 years of service.

*Annual Benefit* - Computed as regular retirement but actuarially reduced in accordance with a 100% joint and survivor election.

**Member Contributions:**

General: Clerical - 5% of gross pay.

Administrative - 5% of gross pay.

DPW - 5.25% of gross pay.

Fire - 7.25% of gross pay.

Police Patrol - 7.25% of gross pay.

Police Command - 7.25% of gross pay.

Gross Pay is defined in labor contracts.

ACTIVE MEMBERS DECEMBER 31, 2004

<u>Valuation Divisions</u>	<u>No</u>	<u>Payroll</u>
General Members	50	\$2,592,709
Police/Fire Members	52	\$3,641,782
Totals	102	\$6,234,491

GENERAL MEMBERS DECEMBER 31,2004

<u>Attained Age</u>	<u>Number</u>	<u>Payroll</u>
20-24	2	\$ 44,247
25-29	2	\$ 83,736
30-34	2	\$ 72,249
35-39	6	\$310,410
40-44	8	\$392,040
45-49	8	\$466,052

50-54	13	\$757,884	55-59	5	\$247,737
60-64	<u>4</u>	<u>\$218,354</u>			
Total	50	\$2,592,709			

POL/FIRE MEMBERS DECEMBER 31, 2004

<u>Attained Age</u>	<u>Number</u>	<u>Payroll</u>
20-24	2	\$ 74,293
25-29	4	\$ 223,389
30-34	17	\$1,041,614
35-39	6	\$ 412,808
40-44	6	\$ 466,366
45-49	10	\$ 790,232
50-54	6	\$ 530,659
55-59	<u>1</u>	<u>\$ 102,421</u>
Total	52	\$3,641,782

RETIRANTS AND BENEFICIARIES  
DECEMBER 31, 2004  
BY TYPE AND PENSION BEING PAID

<u>Type of Pension</u>	<u>No.</u>	<u>Amount</u>
Service Pension	74	\$1,779,281
Casualty Pension	14	168,411
Total Pensions	88	\$1,947,692

**INTEREST RATE CREDITED TO  
EMPLOYEE CONTRIBUTIONS**

<u>YEAR</u>	<u>RATE</u>
1997	13.9%
1998	15.9%
1999	15.4%
2000	10.5%
2001	7.0%
2002	2.6%
2003	3.2%
2004	1.4%

**THE PURPOSE OF THIS SUMMARY ANNUAL REPORT IS TO PROVIDE A GENERAL OVERVIEW OF THE RETIREMENT SYSTEM. THE OPERATION OF THE RETIREMENT SYSTEM IS GOVERNED BY THE APPLICABLE PROVISIONS OF THE RETIREMENT ORDINANCE, COLLECTIVE BARGAINING AGREEMENTS, AND FEDERAL AND STATE LAW WHICH ARE CONTROLLING IN THE EVENT OF A CONFLICT WITH INFORMATION CONTAINED IN THIS REPORT. THE RETIREMENT BOARD HAS RELIED ON THE ACCURACY OF THE INFORMATION CONTAINED WITHIN ITS ACTUARIAL AND FINANCIAL REPORTS IN PREPARING THIS SUMMARY.**

## HARPER WOODS GENERAL EMPLOYEES RETIREMENT SYSTEM

### CURRENT ALLOCATION as of January 23, 2006

<u>MANAGER</u>	<u>ASSET CLASS</u>	<u>DOLLAR VALUE</u>	<u>PERCENTAGE VALUE</u>
SPDR - ETF	Index Fund	\$14,590,780	37.7%
<b>Total Large Equity</b>		<b>\$14,590,780</b>	<b>37.7%</b>
Franklin	Small Growth	\$2,595,397	6.7%
Loomis Sayles	Small Value	\$2,790,413	7.2%
<b>Total Small Equity</b>		<b>\$5,385,810</b>	<b>13.9%</b>
Templeton	Int'l Equity	\$5,932,539	15.3%
<b>Total International</b>		<b>\$5,932,539</b>	<b>15.3%</b>
Orleans	Fixed Income	\$12,573,519	32.5%
<b>Total Fixed Income</b>		<b>\$12,573,519</b>	<b>32.5%</b>
Cash	Cash	\$212,205	0.5%
<b>TOTAL</b>		<b>\$38,694,853</b>	<b>100.0%</b>

### ADOPTED ALLOCATION/CURRENT RECOMMENDATION

<u>MANAGER</u>	<u>ASSET CLASS</u>	<u>DOLLAR VALUE</u>	<u>PERCENTAGE VALUE</u>
SPDR - ETF	Index Fund	\$11,608,456	30.0%
<b>Total Large Equity</b>		<b>\$11,608,456</b>	<b>30.0%</b>
S&P 400 Midcap ETF		\$3,869,485	10.0%
<b>Total Mid Equity</b>		<b>\$3,869,485</b>	<b>10.0%</b>
Franklin	Small Growth	\$1,934,743	5.0%
Loomis Sayles	Small Value	\$1,934,743	5.0%
<b>Total Small Equity</b>		<b>\$3,869,485</b>	<b>10.0%</b>
Templeton	Int'l Equity	\$3,869,485	10.0%
<b>Total International</b>		<b>\$3,869,485</b>	<b>10.0%</b>
Emerg Mkt ETF		\$1,547,794	4.0%
<b>Total Emerg Mkt</b>		<b>\$1,547,794</b>	<b>4.0%</b>
Orleans & Cash Acc.	Fixed Income	\$13,930,147	36.0%
<b>Total Fixed Income</b>		<b>\$13,930,147</b>	<b>36.0%</b>
<b>TOTAL</b>		<b>\$38,694,853</b>	<b>100.0%</b>

### FUNDING REQUIREMENTS

<u>MANAGER</u>	<u>CURRENT DOLLAR VALUE</u>	<u>FUNDING REQUIREMENTS</u>	<u>VALUE AFTER FUNDING REQ.</u>	<u>% AFTER FUNDING REQ.</u>
SPDR - ETF	\$14,590,780	-\$2,800,000	\$11,990,780	31.0%
<b>Total Large Equity</b>	<b>\$14,590,780</b>		<b>\$11,990,780</b>	<b>31.0%</b>
S&P 400 Midcap ETF	\$0	\$4,000,000	\$4,000,000	10.3%
<b>Total Mid Equity</b>	<b>\$0</b>		<b>\$4,000,000</b>	<b>10.3%</b>
Franklin	\$2,595,397	-\$700,000	\$1,895,397	4.9%
Loomis Sayles	\$2,790,413	-\$700,000	\$2,090,413	5.4%
<b>Total Small Equity</b>	<b>\$5,385,810</b>		<b>\$3,985,810</b>	<b>10.3%</b>
Templeton	\$5,932,539	-\$1,500,000	\$4,432,539	11.5%
<b>Total International</b>	<b>\$5,932,539</b>		<b>\$4,432,539</b>	<b>11.5%</b>
Emerg Mkt ETF	\$0	\$1,500,000	\$1,500,000	3.9%
<b>Total Emerg Mkt</b>	<b>\$0</b>		<b>\$1,500,000</b>	<b>3.9%</b>
Orleans	\$12,573,519		\$12,573,519	32.5%
<b>Total Fixed Income</b>	<b>\$12,573,519</b>		<b>\$12,573,519</b>	<b>32.5%</b>
Cash	\$212,205		\$212,205	0.5%
<b>TOTAL</b>	<b>\$38,694,853</b>	<b>\$0</b>	<b>\$38,694,853</b>	<b>100.0%</b>

CITY OF HARPER WOODS  
BOARD OF TRUSTEES  
EMPLOYEES RETIREMENT SYSTEM  
MARCH 27, 2006  
MEETING MINUTES

The Employees Retirement System Meeting was called to order by Chairperson James Burke at 7:00 p.m.

ROLL CALL

PRESENT: Chairperson James Burke, Vice Chairperson Michael P. Monaghan and Trustee(s) Nathan Butler, Steve Matthews, Maria Nawrocki, Kenneth A. Poynter and John Szymanski.

ABSENT: None.

OTHERS PRESENT: Mickey D. Todd, Secretary and John Gordon of Orleans Capital Management.

ERS 03-09-06

MINUTES

MOTION by Poynter, SUPPORTED by Szymanski:

To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held January 23, 2006.

MOTION CARRIED UNANIMOUSLY

ERS 03-10-06

CONSENT AGENDA

RESOLUTION by Monaghan, SUPPORTED by Szymanski:

BE IT RESOLVED to approve Consent Agenda items (a) and (b):

- a. Request payment to VanOverbeke, Michaud & Timmony, P.C. for quarterly legal services. (\$558.00)
- b. Receive and file retirement letter and Election of Type of Pension from Police Chief Lawrence Semple.

ROLL CALL VOTE

YES: Butler, Matthews, Monaghan, Nawrocki, Poynter, Szymanski and Burke.

NO: None.

RESOLUTION ADOPTED UNANIMOUSLY

ORLEANS CAPITAL MANAGEMENT YEARLY REPORT

Mr. John Gordon of Orleans Capital Management, gave a brief presentation to the Board on an Energy Opportunities fund that Orleans Capital Management/Simmons & Company International has open to investors. The Board discussed the fund with Mr. Gordon and advised him that they would consult with their investment advisor on the appropriateness of this fund for their portfolio and get back to him.

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

ERS 03-11-06

ADJOURNMENT

MOTION by Monaghan, SUPPORTED by Butler:

That the agenda of the regular Board of Trustees Employees Retirement System Meeting having been acted upon the meeting is hereby adjourned at 7:55 p.m.

MOTION CARRIED UNANIMOUSLY

\_\_\_\_\_  
JAMES BURKE, CHAIRPERSON

\_\_\_\_\_  
MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS  
BOARD OF TRUSTEES  
EMPLOYEES RETIREMENT SYSTEM  
MAY 24, 2006

MEETING MINUTES

The Employees Retirement System Meeting was called to order by Chairperson James Burke at 7:00 p.m.

ROLL CALL

PRESENT: Chairperson James Burke, Vice Chairperson Michael P. Monaghan and Trustee(s) Steve Matthews, Maria Nawrocki and Kenneth A. Poynter.

ABSENT: Trustee(s) Nathan Butler and John M. Szymanski.

OTHERS PRESENT: Mickey D. Todd, Secretary and Michael Holycross of Morgan Stanley.

ERS 05-12-06

EXCUSE TRUSTEES

MOTION by Poynter, SUPPORTED by Monaghan:

To excuse Trustees Nathan Butler and John M. Szymanski from today's meeting because of prior commitments.

ABSENT: Butler and Szymanski.

MOTION CARRIED

ERS 05-13-06

MINUTES

MOTION by Monaghan, SUPPORTED by Poynter:

To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held March 27, 2006.

ABSENT: Butler and Szymanski.

MOTION CARRIED

ERS 05-14-06

TABLED ITEM TO NEW BUSINESS

MOTION by Poynter, SUPPORTED by Monaghan:

To move Tabled and Pending Item IV (a), Review of Statement of Investment Policy, Objectives and Guidelines for 2006 from Morgan Stanley to New Business Item VI (b).

ABSENT: Butler and Szymanski.

MOTION CARRIED

ERS 05-15-06

CONSENT AGENDA

RESOLUTION by Monaghan, SUPPORTED by Matthews:

BE IT RESOLVED to approve Consent Agenda items (a) through (h):

- a. Receive and file the quarterly financial reports from Franklin Templeton Investments and Orleans Capital Management.
- b. Request quarterly payments to Franklin Templeton Investments (\$13,050.15), and Orleans Capital Management (\$6,186.89).
- c. Request quarterly payment to Morgan Stanley for Financial Consultant Services. (\$15,798.03)
- d. Receive and file the Financial Statements from Comerica Bank for the first quarter of 2006.
- e. Request payment to Comerica Bank for Trustee Services for the quarter of 2006. (\$5,326.73)
- f. Receive and file the election and naming of beneficiary for retiree Lawrence Semple.
- g. Receive and file Court Order from District Court 32A moving the Court Officer to the Administrative Group.

ROLL CALL VOTE

YES: Matthews, Monaghan, Nawrocki, Poynter and Burke.

NO: None.

ABSENT: Butler and Szymanski.

RESOLUTION ADOPTED

ERS 05-16-06      FINANCIAL CONSULTANTS MANAGED ACCOUNT  
REPORT - MORGAN STANLEY DEAN WITTER

MOTION by Monaghan, SUPPORTED by Matthews:

To receive and file the Managed Account Report for the first quarter ending March 30, 2006, as submitted by Michael Holycross of Morgan Stanley.

ABSENT: Butler and Szymanski.

MOTION CARRIED

Mr. Michael Holycross of Morgan Stanley presented the quarterly report, and answered any questions.

ERS 05-17-06      2005 STATEMENT OF INVESTMENT POLICY  
OBJECTIVES AND GUIDELINES

RESOLUTION by Monaghan, SUPPORTED by Poynter:

BE IT RESOLVED to adopt the 2006 Statement of Investment Policy, Objectives and Guidelines for the retirement system portfolio as submitted by Michael Holycross of Morgan Stanley, and as shown in Attachment #1.

ROLL CALL VOTE

YES: Monaghan, Nawrocki, Poynter, Burke and Matthews.

NO: None.

ABSENT: Butler and Szymanski.

RESOLUTION ADOPTED

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

ERS 05-18-06

ADDENDUM TO AGENDA

MOTION by Poynter, SUPPORTED by Monaghan:

To add to the agenda amending the Board's policy on having the City Attorney review Eligible Domestic Relations Order.

ABSENT: Butler and Szymanski.

MOTION CARRIED

ERS 05-19-06

ELIGIBLE DOMESTIC RELATIONS ORDER POLICY

RESOLUTION by Monaghan, SUPPORTED by Poynter:

BE IT RESOLVED to amend the Retirement Board's policy of having the City Attorney review each Eligible Domestic Relations Order request with the Actuary, to having the law firm of VanOverbeke, Michaud & Timmony, P.C. review each Eligible Domestic Relations Order request with the Actuary.

ROLL CALL VOTE

YES: Nawrocki, Poynter, Burke, Matthews and Monaghan.

NO: None.

ABSENT: Butler and Szymanski.

RESOLUTION ADOPTED

ERS 05-20-06

ADDENDUM TO AGENDA

MOTION by Poynter, SUPPORTED by Monaghan:

To add to the agenda discussion and/or action on directing the Financial Consultant to add the Orleans Energy Opportunity Fund to the portfolio.

ABSENT: Butler and Szymanski.

MOTION CARRIED

ERS 05-21-06 APPOINTMENT - ORLEANS CAPITAL MANAGEMENT  
SIMONS & COMPANY INTERNATIONAL  
ENERGY OPPORTUNITY FUND

RESOLUTION by Monaghan, SUPPORTED by Matthews:

WHEREAS, the Board of Trustees is vested with the general administration, management and operation of the Retirement System and has fiduciary responsibilities relative to the proper administration of the pension trust funds, and

WHEREAS, the Board has reviewed with its investment consultant the Retirement System's investment portfolio and asset allocation in light of: (1) the portfolio's historical performance; (2) recent changes in the economic and financial market conditions; and (3) the Board's goal of maximizing future gains without overtly increasing risk or volatility in the portfolio, and

WHEREAS, in light of the foregoing factors and upon recommendation of its investment consultant, the Board is desirous of adding to the structure of its current portfolio, and

WHEREAS, the Board has reviewed and discussed the prospective Energy Opportunity Fund, and

WHEREAS, the Board has discussed investment, philosophy, strategy, historical performance, and the fee structure of Orleans Capital Management/Simmons & Company International Energy Opportunity Fund and is of the opinion that they meet the Board's requirements, and

WHEREAS, the Board, upon the recommendation of its investment consultant and having completed its due diligence, is desirous of retaining Orleans Capital Management/Simmons & Company International Energy Opportunity Fund as an investment for the Retirement System, therefore be it

RESOLVED, that Orleans Capital Management/Simmons & Company International Energy Opportunity Fund is hereby appointed as investment manager to manage a energy opportunity fund, and further

RESOLVED, that subject to approval of a final agreement as to form and content by the Board's legal counsel and the Board, the Board of Trustees enter into a written agreement with Orleans Capital Management/Simmons & Company International Energy Opportunity Fund and that such agreement be executed by appropriate signatories on behalf of the Board, and further

RESOLVED, that the Board's investment consultant is hereby directed to coordinate the reallocation of the Retirement System's assets so that said fund does not exceed five percent of the total funds assets, and that two percent of the small cap portfolio assets be used to fund the new allocation, with the remaining three percent taken on a pro-rata basis from the remaining portfolio, and that the reallocation is consistent with the Board's discussion and investment guidelines, and further

RESOLVED, that the Board hereby directs Comerica Bank to open an account for the Board for its investment manager Orleans Capital Management/Simmons & Company

International Energy Opportunity Fund, and further  
RESOLVED, that copies of this resolution be forwarded to Orleans Capital  
Management/Simmons & Company International Energy Opportunity Fund, Comerica Bank and  
the Board's investment consultant.

ROLL CALL VOTE

YES: Poynter, Burke, Matthews, Monaghan and Nawrocki,

NO: None.

ABSENT: Butler and Szymanski.

RESOLUTION ADOPTED

ERS 05-22-06

ADJOURNMENT

MOTION by Poynter, SUPPORTED by Monaghan:

That the agenda of the regular Board of Trustees Employees Retirement System Meeting having  
been acted upon the meeting is hereby adjourned at 7:41 p.m.

ABSENT: Butler and Szymanski.

MOTION CARRIED

\_\_\_\_\_  
JAMES BURKE, CHAIRPERSON

\_\_\_\_\_  
MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS  
BOARD OF TRUSTEES  
EMPLOYEES RETIREMENT SYSTEM  
JUNE 2, 2006

SPECIAL MEETING MINUTES

The Special Employees Retirement System meeting was called to order by Chairperson James Burke at 4:07 p.m.

ROLL CALL

PRESENT: Chairperson James Burke, Vice Chairperson Michael P. Monaghan and Trustee(s) Nathan Butler, Maria Nawrocki and Kenneth A. Poynter.

ABSENT: Trustee(s) Steve Matthews and John M. Szymanski.

OTHERS PRESENT: Mickey D. Todd, Secretary and James E. Leidlein, City Manager.

ERS 06-23-06

EXCUSE TRUSTEES

MOTION by Monaghan, SUPPORTED by Poynter:

To excuse Trustees Steve Matthews and John M. Szymanski from today's meeting because of prior commitments.

ABSENT: Matthews and Szymanski.

MOTION CARRIED

ERS 06-24-06 DISABILITY RETIREMENT REQUEST - MICHAEL BRAMOS

RESOLUTION by Poynter, SUPPORTED by Monaghan:

BE IT RESOLVED to receive and file the memorandum dated June 1, 2006, from the City Manager requesting that the Board approve of a non-duty disability retirement for Police Dt. Lt. Michael Bramos. And, furthermore, receive the letter dated May 17, 2006, from Raul J. Guerrero, M.D., which states in part that Detective Lieutenant Bramos is incapacitated for duty in the employment of the City and his incapacity will be permanent, and in accordance with Section 2-812 (a), of the Retirement Ordinance, designate said physician as the Board's medical advisor, and approve of the request for a non-duty disability retirement effective February 24, 2006.

ROLL CALL VOTE:

YES: Butler, Monaghan, Nawrocki, Poynter and Burke.

NO: None.

ABSENT: Matthews and Szymanski.

RESOLUTION ADOPTED

The Board Attorney was contacted by the Secretary, who sent an e-mail advising the Secretary that the Board should follow Section 2-812 of the Retirement Ordinance when considering the above matter. Chairperson Burke said that in his opinion the Board followed the ordinance requirements in granting the above disability retirement.

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

ERS 06-25-06

ADJOURNMENT

MOTION by Monaghan, SUPPORTED by Butler:

That the agenda of the special Board of Trustees Employees Retirement System Meeting having been acted upon the meeting is hereby adjourned at 4:19 p.m.

ABSENT: Matthews and Szymanski.

MOTION CARRIED

\_\_\_\_\_  
JAMES BURKE, CHAIRPERSON

\_\_\_\_\_  
MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS  
BOARD OF TRUSTEES  
EMPLOYEES RETIREMENT SYSTEM  
AUGUST 7, 2006

MEETING MINUTES

The Employees Retirement System Meeting was called to order by Vice Chairperson Michael P. Monaghan at 7:00 p.m.

ROLL CALL

PRESENT: Vice Chairperson Michael P. Monaghan and Trustee(s) Nathan Butler, Maria Nawrocki, Kenneth A. Poynter and John Szymanski.

ABSENT: Trustee(s) James Burke and Steve Matthews.

OTHERS PRESENT: Mickey D. Todd, Secretary.

ERS 08-26-06

EXCUSE TRUSTEES

MOTION by Szymanski, SUPPORTED by Poynter:

To excuse Trustees James Burke and Steve Matthews from today's meeting because of prior commitments.

ABSENT: Burke and Matthews.

MOTION CARRIED

ERS 08-27-06

MINUTES

MOTION by Poynter, SUPPORTED by Szymanski:

To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held May 24, 2006 and the Special meeting held on June 2, 2006.

ABSENT: Burke and Matthews.

MOTION CARRIED

ERS 08-28-06

CONSENT AGENDA

RESOLUTION by Poynter, SUPPORTED by Szymanski:

BE IT RESOLVED to approve Consent Agenda items (a) through (j):

- a. Receive and file the quarterly financial report from Franklin Templeton Investments and Orleans Capital Management.
- b. Approve quarterly payments to Franklin Templeton Investments (\$12,328.01), and Orleans Capital Management (\$5,976.44).
- c. Approve quarterly payment to Morgan Stanley for Financial Consultant Services. (\$16,011.68)
- d. Receive and file the Financial Statements from Comerica Bank for the second quarter of 2006.
- e. Approve payment to Comerica Bank for Trustee Services for the second quarter of 2006. (\$5,207.69)
- f. Receive and file the executed copy of the Investment Policy, Objectives, and Guidelines for 2006. (Attachment #1)
- g. Receive and file the Investment Management Agreement - Energy Opportunities - with Orleans Capital Management Corporation. (Attachment #2)
- h. Receive and file Election of Type of Pension from Lt. Michael Bramos and Sgt. Ronald Tolfree.
- i. Receive and file the retirement letter and Election of Type of Pension from Sgt. Gerald Firlik.
- j. Approve payment to VanOverbeke, Michaud & Timmony, P.C. for quarterly legal services. (\$899.00)

ROLL CALL VOTE

YES: Butler, Monaghan, Nawrocki, Poynter, Szymanski

NO: None.

ABSENT: Burke and Matthews.

RESOLUTION ADOPTED

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

CITY OF HARPER WOODS, MICHIGAN  
BOARD OF TRUSTEES EMPLOYEES  
RETIREMENT SYSTEM

AUGUST 7, 2006  
PAGE 3

ERS 08-29-06

ADJOURNMENT

MOTION by Szymanski, SUPPORTED by Butler:

That the agenda of the regular Board of Trustees Employees Retirement System Meeting having been acted upon the meeting is hereby adjourned at 7:03 p.m.

ABSENT: Burke and Matthews.

MOTION CARRIED

---

MICHAEL P. MONAGHAN, VICE -CHAIR

---

MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS  
BOARD OF TRUSTEES  
EMPLOYEES RETIREMENT SYSTEM  
NOVEMBER 27, 2006

MEETING MINUTES

The Employees Retirement System Meeting was called to order by Chairperson James Burke at 7:00 p.m.

ROLL CALL

PRESENT: Chairperson James Burke, Vice Chairperson Michael P. Monaghan and Trustee(s) Nathan Butler, Steve Matthews, Maria Nawrocki, Kenneth A. Poynter and John Szymanski.

ABSENT: None.

OTHERS PRESENT: Mickey D. Todd, Secretary, Laura L. Stowell, Finance Director, Michael Holycross of Morgan Stanley and Sandra Rodwin of Rodwin Consulting Company.

ERS 11-30-06

MINUTES

MOTION by Monaghan, SUPPORTED by Szymanski:  
To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held August 7, 2006.

MOTION CARRIED UNANIMOUSLY

ERS 11-31-06

CONSENT AGENDA

RESOLUTION by Poynter, SUPPORTED by Monaghan:  
BE IT RESOLVED to approve Consent Agenda items (a) through (g):

- a. Receive and file the quarterly financial reports from Franklin Templeton Investments and Orleans Capital Management.
- b. Authorize quarterly payments to Franklin Templeton Investments (\$12,818.14) and Orleans Capital Management (\$8,951.27).

- c. Authorize quarterly payment to Morgan Stanley for Financial Consultant Services. (\$15,632.72)
- d. Receive and file the Financial Statements from Comerica Bank for the third quarter of 2006.
- e. Authorize payment to Comerica Bank for Trustee Services for the third quarter of 2006. (\$5,283.89)
- f. Authorize payment to Rodwin Consulting Company for normal actuarial and consulting services rendered during 2006, including the annual actuarial valuation as of December 31, 2005. (\$8,900)
- g. Receive and file notice of retirement from Fire Captain Robert Grabowski.

And furthermore, refer the notice of retirement from Fire Captain David DeCraene, to the Board Attorney for direction on how to proceed.

ROLL CALL VOTE

YES: Butler, Matthews, Monaghan, Nawrocki, Poynter, Szymanski and Burke.  
NO: None.

RESOLUTION ADOPTED UNANIMOUSLY

ERS 11-32-06 FINANCIAL CONSULTANTS MANAGED ACCOUNT  
REPORT - MORGAN STANLEY DEAN WITTER

RESOLUTION by Monaghan, SUPPORTED by Szymanski:  
BE IT RESOLVED to receive and file the Managed Account Report for the third quarter ending September 30, 2006, as submitted by Michael Holycross of Morgan Stanley, and furthermore, adopt the Asset Allocation and Funding Requirement Recommendation as shown in Attachment #1.

ROLL CALL VOTE

YES: Matthews, Monaghan, Nawrocki, Poynter, Szymanski, Burke and Butler.  
NO: None.

RESOLUTION ADOPTED UNANIMOUSLY

Mr. Michael Holycross of Morgan Stanley presented the quarterly report, and answered any questions.

ERS 11-33-06

2005 ACTUARIAL PRESENTATION

RESOLUTION by Monaghan, SUPPORTED by Szymanski:

BE IT RESOLVED to receive and file the 2005 Actuarial Valuation as of December 31, 2005, for the City of Harper Woods Employees Retirement System as prepared by Rodwan Consulting Company, and furthermore amend the actuarial assumptions effective with the 2005 valuations as follows:

- a. that the return of investment is hereby increased from 7.5% to 7.75%;
- b. that the projected salary increases are hereby amended from 5% annually to 4.5% annually; and
- c. that future Actuarial Valuations use a 30 Year Amortization.

ROLL CALL VOTE

YES: Monaghan, Nawrocki, Poynter, Szymanski, Burke, Butler and Matthews.

NO: None.

RESOLUTION ADOPTED UNANIMOUSLY

Ms. Sandra Rodwan, of Rodwan Consulting Company, reviewed the 2005 Actuarial report with the Trustees and the proposed changes in Actuarial Assumptions and answered any questions.

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

Trustee Butler asked if the City can stop a retirement application from being processed. (The Secretary said that individual circumstances and contractual and plan requirements will determine how the Board proceeds, and if there are questions about the process, then the Board Attorney would provide direction.)

Trustee Nawrocki said that she has been approached by some of her members requesting an updated retirement handbook explaining the retirement process. (The Secretary said that employees are governed by collective bargaining agreements, individual contracts or the City Ordinance which provides retirement information. He added that individual benefit information can be obtained in the Finance Department, and that software for calculating individual retirement benefits is also available in the Police and Fire Departments.)

ERS 11-34-06

ADJOURNMENT

MOTION by Monaghan, SUPPORTED by Nawrocki:

That the agenda of the regular Board of Trustees Employees Retirement System Meeting having been acted upon the meeting is hereby adjourned at 8:35 p.m.

MOTION CARRIED UNANIMOUSLY

\_\_\_\_\_  
JAMES BURKE, CHAIRPERSON

\_\_\_\_\_  
MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS  
BOARD OF TRUSTEES  
EMPLOYEES RETIREMENT SYSTEM  
JANUARY 22, 2007

MEETING MINUTES

The Employees Retirement System Meeting was called to order by Chairperson James Burke at 7:00 p.m.

ROLL CALL

PRESENT: Chairperson James Burke, and Trustee(s) Nathan Butler, Steve Matthews, Maria Nawrocki, Kenneth A. Poynter and John Szymanski.

ABSENT: Vice Chairperson Michael P. Monaghan

OTHERS PRESENT: Mickey D. Todd, Secretary and Michael Holycross of Morgan Stanley.

ERS 01-01-07

EXCUSE TRUSTEES

MOTION by Poynter, SUPPORTED by Szymanski:

To excuse Trustee Michael P. Monaghan from today's meeting because of prior commitments.

ABSENT: Monaghan.

MOTION CARRIED

ERS 01-02-07

MINUTES

MOTION by Poynter, SUPPORTED by Szymanski: .. To receive, approve and file the minutes of the regular Board of Trustees Employee Retirement System meeting held November 27, 2006.

ABSENT: Monaghan.

MOTION CARRIED

ERS 01-03-07

CONSENT AGENDA

RESOLUTION by Szymanski, SUPPORTED by Poynter:

BE IT RESOLVED to approve Consent Agenda items (a) through (h):

Receive and file the quarterly financial reports from Franklin Templeton Investments and Orleans Capital Management.

- a. Request quarterly payments to (\$6,096.27), Franklin Templeton Investments and Orleans Capital Management (\$9,195.57).
- b. Request quarterly payment to Morgan Stanley for Financial Consultant Services. (\$15,641.37)
- c. Receive and file the Financial Statements from Comerica Bank for the fourth quarter of 2006.
- d. Request payment to Comerica Bank for Trustee Services for the fourth quarter of 2006. (\$5,366.46)
- e. Receive and file notice of retirement from Fire Captain Paul Weiss.
- f. Receive and file notice of retirement from District Court employee Janice Van Tiem.
- g. Receive, approve and file Retirement Board calendar for 2007.
- h. Receive and file Summary Annual Reports for 2005. (Attachment #1)

ROLL CALL VOTE

YES: Butler, Matthews, Nawrocki, Poynter, Szymanski and Burke. NO: None.

ABSENT: Monaghan.

RESOLUTION ADOPTED

ERS 01-04-07     FINANCIAL CONSULTANTS MANAGED ACCOUNT  
REPORT - MORGAN STANLEY DEAN WITTER

MOTION by Matthews, SUPPORTED by Poynter:

To receive and file the Managed Account Report for the fourth quarter ending December 31,2006, as submitted by Michael Holycross of Morgan Stanley.

ABSENT: Monaghan.

MOTION CARRIED

Mr. Michael Holycross of Morgan Stanley presented the quarterly report, and answered any questions. He also informed the Board about a letter that Franklin Templeton sent advising that

one of the holdings in the portfolio, Power Integrations, Inc., was de-listed from NASDAQ, and that de-listed holdings are generally not allowed to be kept in the portfolio. He said that it was de-listed because it failed to meet the filing deadline with the SEC as required by Federal Statute. He added that representatives from Templeton are confident that the holding would be re-listed this year, and have requested that it be allowed to stay in the portfolio. He concluded by asking the Board to concur with our representative from Templeton to retain this holding, and asked that the Board receive and file this letter for the record.

ERS 01-05-07                      ADDENDUM TO AGENDA

MOTION by Szymanski, SUPPORTED by Matthews:  
To add to the agenda discussion and/or action on the letter received from Franklin Templeton Investments regarding Power Integrations, Inc. being de-listed.

ABSENT: Monaghan.

MOTION CARRIED

ERS 01-06-07                      POWER INTEGRATIONS, INC. DE-LISTING

MOTION by Szymanski, SUPPORTED by Matthews:  
To receive and file the letter dated December 22, 2006, from Zachary Perry, Vice President and Portfolio Manager for Franklin Templeton Investments, advising the Board that one of the holdings in the City's portfolio, Power Integrations, Inc., was de-listed by NASDAQ, and that he is requesting that the Board retain this holding as he is confident that it will be re-listed in the near future, and that furthermore, since Mr. Holycross of Morgan Stanley, the Board's Financial Consultant, agrees and recommends retaining this holding, that the Board does hereby authorize the Secretary to sign a letter consenting to Power Integrations, Inc. being retained in the portfolio.

ABSENT: Monaghan.

MOTION CARRIED

ERS 01-07-07                      2007 STATEMENT OF INVESTMENT POLICY  
OBJECTIVES AND GUIDELINES

MOTION by Butler, SUPPORTED by Szymanski:  
To adopt the 2007 Statement of Investment Policy, Objectives and Guidelines for the retirement system portfolio as submitted by Michael Holycross of Morgan Stanley. (Attachment #2)

ABSENT: Monaghan.

MOTION CARRIED

ERS 01-08-07

2007 ASSET ALLOCATION

MOTION by Szymanski, SUPPORTED by Matthews:

To adopt the following Target Asset Allocation for 2007 as recommended by Michael Holycross of Morgan Stanley:

- 30% Large Equities
- 10% Mid Cap Equities
- 10% Small Cap Equities
- 10% International Equities
- 5% Emerging Market Equities
- 35% Fixed Income

ABSENT: Monaghan.

MOTION CARRIED

ERS 01-09-07

ELECTION OF CHAIR AND VICE-CHAIR FOR 2007

MOTION by Poynter, SUPPORTED by Matthews:

To re-elect Trustee James Burke as Chairperson for 2007.

ABSENT: Monaghan.

MOTION CARRIED

MOTION by Butler, SUPPORTED by Szymanski:

To re-elect Trustee Michael Monaghan as Vice-Chairperson for 2007.

ABSENT: Monaghan.

MOTION CARRIED

---

HEARING OF THE PUBLIC

None.

---

DISCUSSION BY TRUSTEES

Trustee Butler commented on the recent retirement of a Fire Captain, and expressed concern about the process. He said that there is potential for the process to be halted by the City Manager since both the Finance Director and City Clerk, who are responsible for processing retirement requests, work for the City Manager. He suggested that the Board consider contracting out the role that the Finance Director and City Clerk plays in the retirement process to ensure that the direction of the Board is carried out unimpeded with each application for retirement.

The Trustees discussed Trustee Butler's suggestion of contracting out the Finance Director and City Clerk's role in the retirement process, and agreed to maintain the process as is.

ERS 01-10-07

ADJOURNMENT

MOTION by Butler, SUPPORTED by Nawrocki:

That the agenda of the regular Board of Trustees Employees Retirement System Meeting having been acted upon the meeting is hereby adjourned at 8:01 p.m.

ABSENT: Monaghan.

MOTION CARRIED

---

JAMES BURKE, CHAIRPERSON

MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS  
BOARD OF TRUSTEES  
EMPLOYEES RETIREMENT SYSTEM  
JULY 17, 2007

MEETING MINUTES

The Employees Retirement System Meeting was called to order by Chairperson James Burke at 4:00 p.m.

ROLL CALL

PRESENT: Chairperson James Burke, Vice Chairperson Michael P. Monaghan and Trustee(s) Nathan Butler, Maria Nawrocki and Kenneth A. Poynter

ABSENT: Trustee(s) Steve Matthews and John Szymanski.

OTHERS PRESENT: Mickey D. Todd, Secretary.

ERS 07-11-07

EXCUSE TRUSTEES

MOTION by Butler, SUPPORTED by Nawrocki:

To excuse Trustee(s) Steve Matthews and John Szymanski from today's meeting because of prior commitments.

ABSENT: Matthews and Szymanski.

MOTION CARRIED

ERS 07-12-07

MINUTES

MOTION by Poynter, SUPPORTED by Butler:

To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held January 22, 2007.

ABSENT: Matthews and Szymanski.

MOTION CARRIED

ERS 07-13-07

CONSENT AGENDA

RESOLUTION by Poynter, SUPPORTED by Nawrocki:

BE IT RESOLVED to approve Consent Agenda items (a) through (k):

- a. Receive and file the quarterly financial reports from Franklin Templeton Investments and Orleans Capital Management.
- b. Approve first and second quarter payment to Orleans Capital Management (\$19,647.62), and second and third quarter payment to Franklin Templeton Investments (\$26,212.37).
- c. Approve quarterly payment to Morgan Stanley for Financial Consultant Services. (\$16,004.57)
- d. Receive and file the Financial Statements from Comerica Bank for the first and second quarters of 2007.
- e. Approve payment to Comerica Bank for Trustee Services for the first quarter of 2006. (\$5,659.91)
- f. Approve payment to VanOverbeke, Michaud & Timmony, P.C. for quarterly legal services (\$1,426.00).
- g. Receive and file the Election of Type of Pension for retiree Paul Weiss.
- h. Receive and file the Election of Type of Pension for retiree Janice Van Tiem.
- i. Receive and file the Election of Type of Pension for retiree Robert Matthew.
- j. Receive and file the Election of Type of Pension for retiree Robert Grabowski.
- k. Receive and file the amended Actuarial Valuation as of December 31, 2005.

ROLL CALL VOTE

YES: Butler, Monaghan, Nawrocki, Poynter and Burke.

NO: None.

ABSENT: Matthews and Szymanski.

RESOLUTION ADOPTED

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

CITY OF HARPER WOODS, MICHIGAN  
BOARD OF TRUSTEES EMPLOYEES  
RETIREMENT SYSTEM

JULY 17, 2007  
PAGE 3

ERS 07-14-07

ADJOURNMENT

MOTION by Monaghan, SUPPORTED by Butler:

That the agenda of the regular Board of Trustees Employees Retirement System Meeting having been acted upon the meeting is hereby adjourned at 4:12 p.m.

ABSENT: Matthews and Szymanski.

MOTION CARRIED

\_\_\_\_\_  
JAMES BURKE, CHAIRPERSON

\_\_\_\_\_  
MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS  
BOARD OF TRUSTEES  
EMPLOYEES RETIREMENT SYSTEM  
OCTOBER 15, 2007

SPECIAL MEETING MINUTES

The Employees Retirement System meeting was called to order by Vice-Chair Michael P. Monaghan at 7:00 p.m.

ROLL CALL

PRESENT: Vice Chairperson Michael P. Monaghan and Trustee(s) Nathan Butler, Steve Matthews, Kenneth A. Poynter and John Szymanski.

ABSENT: Trustee(s) James Burke and Maria Nawrocki.

OTHERS PRESENT: Mickey D. Todd, Secretary.

ERS 10-15-07

EXCUSE TRUSTEES

MOTION by Poynter, SUPPORTED by Szymanski:

To excuse Trustee(s) James Burke and Maria Nawrocki from today's meeting because of prior commitments.

ABSENT: Burke and Nawrocki.

MOTION CARRIED

ERS 10-16-07

MINUTES

MOTION by Matthews, SUPPORTED by Poynter:

To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held July 17, 2007.

ABSENT: Burke and Nawrocki.

MOTION CARRIED

ERS 10-17-07

CONSENT AGENDA

RESOLUTION by Szymanski, SUPPORTED by Butler:

BE IT RESOLVED to approve Consent Agenda items (a) through (e):

- a. Receive and file the quarterly financial reports from Franklin Templeton Investments and Orleans Capital Management.
- b. Request quarterly payment to Morgan Stanley for Financial Consultant Services. (\$16,041.93)
- c. Receive and file the Financial Statements from Comerica Bank for the quarter of 2007.
- d. Request payment to Comerica Bank for Trustee Services for the quarter of 2007. (\$5,657.76)
- e. Request payment to VanOverbeke, Michaud & Timmony, P.C. for quarterly legal services. (\$279.00)

ROLL CALL VOTE

YES: Butler, Matthews, Monaghan, Poynter and Szymanski.

NO: None.

ABSENT: Burke and Nawrocki.

RESOLUTION ADOPTED

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

ERS 10-18-07

ADJOURNMENT

MOTION by Szymanski, SUPPORTED by Matthews:

That the agenda of the regular Board of Trustees Employees Retirement System Meeting having been acted upon the meeting is hereby adjourned at 7:05 p.m.

CITY OF HARPER WOODS, MICHIGAN  
BOARD OF TRUSTEES EMPLOYEES  
RETIREMENT SYSTEM

OCTOBER 15, 2007  
PAGE 3

ABSENT: Burke and Nawrocki.

MOTION CARRIED

\_\_\_\_\_  
MICHAEL P. MONAGHAN, VICE CHAIR

\_\_\_\_\_  
MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS  
BOARD OF TRUSTEES  
EMPLOYEES RETIREMENT SYSTEM  
NOVEMBER 26, 2007

MEETING MINUTES

The Employees Retirement System Meeting was called to order by Chairperson James Burke at 7:00 p.m.

ROLL CALL

PRESENT: Chairperson James Burke, Vice Chairperson Michael P. Monaghan and Trustee(s) Nathan Butler, Steve Matthews, Kenneth A. Poynter and John Szymanski.

ABSENT: Trustee Maria Nawrocki.

OTHERS PRESENT: Mickey D. Todd, Secretary, Michael Holycross of Morgan Stanley, Sandra Rodwan of Rodwan Consulting Company and Michael A. Wasz, Franklin Templeton Advisors.

ERS 11-19-07

EXCUSE TRUSTEE NAWROCKI

MOTION by Monaghan, SUPPORTED by Poynter:

To excuse Trustee Maria Nawrocki from today's meeting because of a prior commitment.

ABSENT: Nawrocki.

MOTION CARRIED

ERS 11-20-07

MINUTES

MOTION by Poynter, SUPPORTED by Monaghan:

To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held October 15, 2007.

ABSENT: Nawrocki.

MOTION CARRIED

ERS 11-21-07

CONSENT AGENDA

RESOLUTION by Szymanski, SUPPORTED by Monaghan:

BE IT RESOLVED to approve Consent Agenda items (a) through (j):

- a. Receive and file the quarterly financial reports from Franklin Templeton Investments and Orleans Capital Management.
- b. Approve quarterly payments to Franklin Templeton Investments (\$13,180.17), and Orleans Capital Management (\$10,710.61).
- c. Approve quarterly payment to Morgan Stanley for Financial Consultant Services. (\$16,303.62)
- d. Receive and file the Financial Statements from Comerica Bank for the third quarter of 2007.
- e. Request payment to Comerica Bank for Trustee Services for the third quarter of 2007. (\$5,468.18)
- f. Approve payment to Rodwin Consulting Company for normal actuarial and consulting services rendered during 2007, including the annual actuarial valuation as of December 31, 2006.
- g. Designate List of Authorized Signers for Comerica Bank.
- h. Receive and file the letter from Police Lieutenant Dennis Root, advising of his retirement effective January 26, 2008.
- i. Approve request from former Police Dispatcher Donna Root, for a refund of accumulated contributions.
- j. Approve request from former Fire Fighter Jason Frattini, for a refund of accumulated contributions.

ROLL CALL VOTE

YES: Butler, Matthews, Monaghan, Poynter, Szymanski and Burke.

NO: None.

ABSENT: Nawrocki.

RESOLUTION ADOPTED

ERS 11-22-07

2006 ACTUARIAL PRESENTATION

MOTION by Monaghan, SUPPORTED by Szymanski:

To receive and file the 2006 Actuarial Valuation as of December 31, 2006, for the City of Harper Woods Employees Retirement System as prepared by Rodwan Consulting Company, and furthermore, receive and file the Summary Annual Report for 2006. (Attachment #1)

ABSENT: Nawrocki.

MOTION CARRIED

Ms. Sandra Rodwan, of Rodwan Consulting Company, reviewed the 2006 Actuarial report with the Trustees and answered any questions.

MANAGER PRESENTATION - FRANKLIN TEMPLETON

Mr. Michael A. Wasz, Franklin Templeton Advisors, reviewed and discussed the structure and philosophy of their investment strategy for the International Equity Fund.

ERS 11-23-07      FINANCIAL CONSULTANTS MANAGED ACCOUNT  
REPORT - MORGAN STANLEY DEAN WITTER

RESOLUTION by Monaghan, SUPPORTED by Matthews:

To receive and file the Managed Account Report for the first quarter ending September 30, 2007, as submitted by Michael Holycross of Morgan Stanley, and furthermore, concur with Mr. Holycross' recommendation to re-balance the portfolio by taking \$400k from the Small Cap Funds, \$1.2m from the Mid Cap EFT and \$1.6m from the S&P 500 EFT, and use the proceeds (\$3.2m) from the re-balance to purchase a S&P 100 EFT .

ROLL CALL VOTE

YES: Matthews, Monaghan, Poynter, Szymanski, Burke and Butler.

NO: None.

ABSENT: Nawrocki.

RESOLUTION ADOPTED

Mr. Michael Holycross of Morgan Stanley presented the quarterly report, and answered any questions.

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

CITY OF HARPER WOODS, MICHIGAN  
BOARD OF TRUSTEES EMPLOYEES  
RETIREMENT SYSTEM

NOVEMBER 26, 2007  
PAGE 4

ERS 11-24-07

ADJOURNMENT

MOTION by Monaghan, SUPPORTED by Poynter:

That the agenda of the regular Board of Trustees Employees Retirement System Meeting having been acted upon the meeting is hereby adjourned at 8:51 p.m.

ABSENT: Nawrocki.

MOTION CARRIED

\_\_\_\_\_  
JAMES BURKE, CHAIRPERSON

\_\_\_\_\_  
MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS  
BOARD OF TRUSTEES  
EMPLOYEES RETIREMENT SYSTEM  
JANUARY 28, 2008

MEETING MINUTES

The Employees Retirement System Meeting was called to order by Chairperson James Burke at 7:00 p.m.

ROLL CALL

PRESENT: Chairperson James Burke, Vice Chairperson Michael P. Monaghan and Trustee(s) Nathan Butler, Maria Nawrocki and John Szymanski (7:08 p.m.).

ABSENT: Trustee(s) Steve Matthews and Kenneth A. Poynter.

OTHERS PRESENT: Mickey D. Todd, Secretary and Michael Holycross of Morgan Stanley.

ERS 01-01-08

EXCUSE TRUSTEES

MOTION by Monaghan, SUPPORTED by Butler:

To excuse Trustee(s) Steve Matthews and Kenneth A. Poynter from today's meeting because of prior commitments.

ABSENT: Matthews, Poynter and Szymanski.

MOTION CARRIED

ERS 01-02-08

MINUTES

MOTION by Butler, SUPPORTED by Monaghan:

To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held November 26, 2007.

ABSENT: Matthews, Poynter and Szymanski.

MOTION CARRIED

ERS 01-03-08

CONSENT AGENDA

RESOLUTION by Monaghan, SUPPORTED by Butler:

BE IT RESOLVED to approve Consent Agenda items (a) through (h):

- a. Receive and file the quarterly financial reports from Franklin Templeton Investments and Orleans Capital Management.
- b. Request quarterly payments to Franklin Templeton Investments (\$12,724.04), and Orleans Capital Management (\$11,094.73).
- c. Request quarterly payment to Morgan Stanley for Financial Consultant Services. (\$16,279.71)
- d. Receive and file the Financial Statements from Comerica Bank for the fourth quarter of 2007.
- e. Request payment to Comerica Bank for Trustee Services for the fourth quarter of 2007. (\$5,775.62)
- f. Receive, approve and file the Retirement Board meeting calendar for 2008.
- g. Receive and file the letter from Police Officer James Stachkunis, advising of his retirement effective January 2, 2008.
- h. Receive and file the Election of Type of Pension from Police Officer James Stachkunis.

ROLL CALL VOTE

YES: Butler, Monaghan, Nawrocki, and Burke.

NO: None.

ABSENT: Matthews, Poynter and Szymanski.

RESOLUTION ADOPTED

ERS 01-04-08

PERFORMANCE MEASUREMENT REPORT - MORGAN STANLEY

MOTION by Monaghan, SUPPORTED by Szymanski:

To receive and file the Managed Account Report for the quarter ending December 31, 2007, as submitted by Michael Holycross of Morgan Stanley.

ABSENT: Matthews and Poynter.

MOTION CARRIED

Mr. Michael Holycross of Morgan Stanley presented the quarterly report, and answered any questions.



ERS 01-08-08            ELECTION OF CHAIR AND VICE-CHAIR FOR 2008

MOTION by Szymanski, SUPPORTED by Butler:  
To re-elect Trustee James Burke as Chairperson for 2008.

ABSENT: Matthews and Poynter.

MOTION CARRIED

MOTION by Szymanski, SUPPORTED by Butler:  
To re-elect Trustee Michael Monaghan as Vice-Chairperson for 2008.

ABSENT: Matthews and Poynter.

MOTION CARRIED

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

ERS 01-09-08            ADJOURNMENT

MOTION by Monaghan, SUPPORTED by Szymanski:  
That the agenda of the regular Board of Trustees Employees Retirement System Meeting having  
been acted upon the meeting is hereby adjourned at 7:45 p.m.

ABSENT: Matthews and Poynter.

MOTION CARRIED

\_\_\_\_\_  
JAMES BURKE, CHAIRPERSON

\_\_\_\_\_  
MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS  
BOARD OF TRUSTEES  
EMPLOYEES RETIREMENT SYSTEM  
MUNICIPAL BUILDING  
MAY 12, 2008

MEETING MINUTES

The Employees Retirement System Meeting was called to order by Chairperson James Burke at 7:00 p.m.

ROLL CALL

PRESENT: Chairperson James Burke, Vice Chairperson Michael P. Monaghan and Trustee(s) Maria Nawrocki and John Szymanski.

ABSENT: Trustee(s) Nathan Butler and Kenneth A. Poynter.

OTHERS PRESENT: Mickey D. Todd, Secretary and Brian Green of Morgan Stanley.

ERS 05-10-08

EXCUSE TRUSTEES

MOTION by Szymanski, SUPPORTED by Monaghan:  
To excuse Trustee(s) Nathan Butler and Kenneth A. Poynter from today's meeting because of prior commitments.

ABSENT: Butler and Poynter.

MOTION CARRIED

ERS 05-11-08

MINUTES

MOTION by Monaghan, SUPPORTED by Szymanski:  
To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held January 28, 2008.

ABSENT: Butler and Poynter.

MOTION CARRIED

ERS 05-12-08

CONSENT AGENDA

RESOLUTION by Szymanski, SUPPORTED by Monaghan:

BE IT RESOLVED to approve Consent Agenda items (a) through (g):

- a. Receive and file the quarterly financial reports from Franklin Templeton Investments and Orleans Capital Management.
- b. Request quarterly payments to Franklin Templeton Investments (\$11,221.34) and Orleans Capital Management (\$10,929.18).
- c. Request quarterly payment to Morgan Stanley for Financial Consultant Services. (\$16,277.94)
- d. Receive and file the Financial Statements from Comerica Bank for the first quarter of 2008.
- e. Request payment to Comerica Bank for Trustee Services for the first quarter of 2008. (\$5,392.29 )
- f. Request payment to VanOverbeke, Michaud & Timmony, P.C. for quarterly legal services. (\$635.50)
- g. Receive and file Election of Type of Pension from retiree Dennis Root.
- h. Receive and file request for retirement benefits and Election of Type of Pension from retiree Carolyn Skinner.
- g. Receive and file the executed Statement of Investment Policy, Objectives and Guidelines from the various Investment Manager's for 2008.

ROLL CALL VOTE

YES: Monaghan, Nawrocki, Szymanski and Burke.

NO: None.

ABSENT: Butler and Poynter.

RESOLUTION ADOPTED

ERS 05-12-08      FINANCIAL CONSULTANTS MANAGED ACCOUNT  
REPORT - MORGAN STANLEY DEAN WITTER

MOTION by Monaghan, SUPPORTED by Szymanski:

To receive and file the Managed Account Report for the first quarter ending March 31, 2008, as submitted by Michael Holycross of Morgan Stanley.

ABSENT: Butler and Poynter.

MOTION CARRIED

Mr. Brian Green of Morgan Stanley presented the quarterly report, and answered any questions.

MANAGER REPORT - ORLEANS CAPITAL MANAGEMENT

Mr. John Gordon and Ms. Emily Becker of Orleans Capital Management, reviewed and discussed both the Bond Fund and the Energy Fund portfolios. No action was taken.

ERS 05-13-08 BOARD ATTORNEY REPORT - BAE SYSTEMS & LABRANCHE

RESOLUTION by Monaghan, SUPPORTED by Szymanski,  
BE IT RESOLVED to adjourn to Executive Session for the purpose of discussing pending litigation regarding BAE Systems and LaBranche Securities Litigation.

ROLL CALL VOTE

YES: Nawrocki, Szymanski, Burke and Monaghan.

NO: None.

ABSENT: Butler and Poynter.

RESOLUTION ADOPTED

The Board adjourned to Executive Session at 8:10 p.m. and reconvened at 8:22 p.m.

MOTION by Szymanski, SUPPORTED by Monaghan:

To receive and file the correspondence from Attorney Thomas C. Michaud, of VanOverbeke, Michaud and Timmony, P.C., regarding the current litigation with BAE Systems, and furthermore, approve of the settlement agreement with LaBranche as recommended by Attorney Thomas C. Michaud.

ABSENT: Butler and Poynter.

MOTION CARRIED

Mr. Thomas C. Michaud, of VanOverbeke, Michaud and Timmony, P.C., was present to review and discuss the above item.

ERS 05-14-08 TRUSTEE AT LARGE RESIGNATION AND APPOINTMENT

MOTION by Monaghan, SUPPORTED by Szymanski:

To receive and file the letter of resignation from Citizen Trustee Steve Matthews, and the letter of interest from Mr. D. L. Harville, and table discussion on this item until all the Trustees are present.

ABSENT: Butler and Poynter.

MOTION CARRIED

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

ERS 05-15-08

ADJOURNMENT

MOTION by Monaghan, SUPPORTED by Szymanski:  
That the agenda of the regular Board of Trustees Employees Retirement System Meeting having  
been acted upon the meeting is hereby adjourned at 8:26 p.m.

ABSENT: Butler and Poynter.

MOTION CARRIED

\_\_\_\_\_  
JAMES BURKE, CHAIRPERSON

\_\_\_\_\_  
MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS  
BOARD OF TRUSTEES  
EMPLOYEES RETIREMENT SYSTEM  
AUGUST 11, 2008

MEETING MINUTES

The Employees Retirement System Meeting was called to order by Chairperson James Burke at 6:30 p.m.

ROLL CALL

PRESENT: Chairperson James Burke, Vice Chairperson Michael P. Monaghan and Trustee(s) Kenneth A. Poynter and John Szymanski.

ABSENT: Trustee(s) Nathan Butler and Maria Nawrocki.

OTHERS PRESENT: Mickey D. Todd, Secretary and Bryan Green of Morgan Stanley.

ERS 08-16-08

EXCUSE TRUSTEES

MOTION by Monaghan, SUPPORTED by Szymanski:  
To excuse Trustee(s) Nathan Butler and Maria Nawrocki from today's meeting because of prior commitments.

ABSENT: Butler and Nawrocki.

MOTION CARRIED

ERS 08-17-08

MINUTES

MOTION by Szymanski, SUPPORTED by Monaghan:  
To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held May 12, 2008.

ABSENT: Butler and Nawrocki.

MOTION CARRIED

ERS 08-18-08

CONSENT AGENDA

RESOLUTION by Monaghan, SUPPORTED by Szymanski:

BE IT RESOLVED to approve Consent Agenda items (a) through (h):

- a. Receive and file the quarterly financial reports from Franklin Templeton Investments and Orleans Capital Management.
- b. Approve quarterly payments to (\$10,973.56), Franklin Templeton Investments and Orleans Capital Management (\$12,259.23).
- c. Request quarterly payment to Morgan Stanley for Financial Consultant Services. (\$15,583.53)
- d. Receive and file the Financial Statements from Comerica Bank for the second quarter of 2008.
- e. Approve payment to Comerica Bank for Trustee Services for the second quarter of 2008. (\$5,455.56)
- f. Approve payment to VanOverbeke, Michaud & Timmony, P.C. for quarterly legal services. (\$310.00)
- g. Receive and file December 31, 2007 Actuarial Valuation as submitted by Rodwin Consulting Company.
- h. Receive and file Summary Annual Reports for 2007. (Attachment #1)

ROLL CALL VOTE

YES: Monaghan, Poynter, Szymanski and Burke.

NO: None.

ABSENT: Butler and Nawrocki.

RESOLUTION ADOPTED

ERS 08-19-08      FINANCIAL CONSULTANTS MANAGED ACCOUNT  
REPORT - MORGAN STANLEY DEAN WITTER

MOTION by Monaghan, SUPPORTED by Poynter:

To receive and file the Managed Account Report for the second quarter as submitted by Michael Holycross of Morgan Stanley.

ABSENT: Butler and Nawrocki.

MOTION CARRIED

Mr. Bryan Green of Morgan Stanley presented the quarterly report, and answered any questions. He also advised that Franklin Small Growth is changing portfolio Manager's and recommended that the Board sever its relationship with them and reallocate that portion of the portfolio to the

iShares Russell 2000 Growth Index Fund.

ERS 08-20-08

ADDENDUM TO AGENDA

MOTION by Monaghan, SUPPORTED by Poynter:

To add to the agenda, discussion and or action on terminating Franklin Small Growth fund from the portfolio.

ABSENT: Butler and Nawrocki.

MOTION CARRIED

ERS 08-21-08-04 TERMINATION - FRANKLIN PORTFOLIO ADVISORS

RESOLUTION by Monaghan, SUPPORTED by Szymanski:

WHEREAS, the Board of Trustees is vested with the general administration, management and operation of the Retirement System and has fiduciary responsibilities relative to the proper administration of the pension trust funds, and

WHEREAS, the Board has previously entered into an investment management agreement with Franklin Portfolio Advisors Small Cap Growth, and

WHEREAS, the Board has reviewed with its investment consultant the Retirement System's investment portfolio and asset allocation in light of: (1) the portfolio's historical performance; (2) recent changes in the economic and financial market conditions; and (3) the Board's goal of maximizing future gains without overtly increasing risk or volatility in the portfolio, therefore be it

RESOLVED, that the Board of Trustees, upon completion of the transfer of assets currently under management by Franklin Portfolio Advisors Small Cap Growth, hereby terminates its investment management agreement effective immediately, and further

RESOLVED, that Franklin Portfolio Advisors Small Cap Growth be requested to coordinate with the Board, and its investment consultant a smooth and cost effective transition of the management of the Retirement System's assets currently under its management (e.g. review of portfolio by Board's money managers prior to liquidation), and further

RESOLVED, that a copy of this resolution shall be forwarded to Franklin Portfolio Advisors Small Cap Growth and the Board's investment consultant.

ROLL CALL VOTE

YES: Monaghan, Poynter, Szymanski and Burke.

NO: None.

ABSENT: Butler and Nawrocki.

RESOLUTION ADOPTED

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

ERS 08-21-08

ADJOURNMENT

MOTION by Monaghan, SUPPORTED by Poynter:

That the agenda of the regular Board of Trustees Employees Retirement System Meeting having been acted upon the meeting is hereby adjourned at 7:02 p.m.

ABSENT: Butler and Nawrocki.

MOTION CARRIED

\_\_\_\_\_  
JAMES BURKE, CHAIRPERSON

\_\_\_\_\_  
MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS  
BOARD OF TRUSTEES  
EMPLOYEES RETIREMENT SYSTEM  
NOVEMBER 24, 2008

MEETING MINUTES

The Employees Retirement System Meeting was called to order by Chairperson James Burke at 7:00 p.m.

ROLL CALL

PRESENT: Chairperson James Burke, Vice Chairperson Michael P. Monaghan and Trustee(s) Darren Harville (7:20 p.m.) Maria Nawrocki and Kenneth A. Poynter.

ABSENT: Trustee Nathan Butler and John Szymanski.

OTHERS PRESENT: Mickey D. Todd, Secretary, Michael Holycross of Morgan Stanley and Sandra Rodwin and Denise Jones of Rodwin Associates.

ERS 11-22-08

EXCUSE TRUSTEE SZYMANSKI

MOTION by Monaghan, SUPPORTED by Poynter:

To excuse Trustee John Szymanski from today's meeting because of a prior commitment.

ABSENT: Butler and Szymanski.

MOTION CARRIED

ERS 11-23-08

MINUTES

MOTION by Monaghan, SUPPORTED by Poynter:

To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held August 11, 2008.

ABSENT: Butler and Szymanski.

MOTION CARRIED

ERS 11-24-08

CONSENT AGENDA

RESOLUTION by Monaghan, SUPPORTED by Nawrocki:

BE IT RESOLVED to approve Consent Agenda items (a) through (f):

- a. Receive and file the quarterly financial reports from Franklin Templeton Investments and Orleans Capital Management.
- b. Approve quarterly payments to Franklin Templeton Investments (\$7,281.60), and Orleans Capital Management (\$10,042.75).
- c. Approve quarterly payment to Morgan Stanley for Financial Consultant Services. (\$15,649.31)
- d. Receive and file the Financial Statements from Comerica Bank for the third quarter of 2008.
- e. Approve payment to Comerica Bank for Trustee Services for the third quarter of 2008. (\$2,269.17)
- f. Approve payment to Rodwin Consulting Company for normal actuarial and consulting services and the annual valuation as of December 31, 2007. (\$8,900)

ROLL CALL VOTE

YES: Monaghan, Nawrocki, Poynter and Burke.

NO: None.

ABSENT: Butler and Szymanski.

RESOLUTION ADOPTED

MANAGER PRESENTATION - FRANKLIN TEMPLETON

Mr. Michael A. Wasz, Franklin Templeton Advisors, reviewed and discussed the structure and philosophy of their investment strategy for the International Equity Fund.

ERS 11-25-08

ADDENDUM TO AGENDA

MOTION by Monaghan, SUPPORTED by Poynter:

To add to the agenda discussion and/or action on appointing the Citizen Trustee to fill the vacancy expiring January 2009.

ABSENT: Butler and Szymanski.

MOTION CARRIED

ERS 11-26-08     APPOINTMENT OF CITIZEN TRUSTEE - DARREN HARVILLE

MOTION by Monaghan, SUPPORTED by Poynter:

To appoint Darren Harville as the Board's Citizen Trustee to a term expiring January 2009, consistent with Section(s) 2-828 and 2-829 of the Retirement Ordinance.

ABSENT: Butler and Szymanski.

MOTION CARRIED

Trustee Harville joined the meeting at 7:20 p.m.

ERS 11-27-08             FINANCIAL CONSULTANTS MANAGED  
                                  ACCOUNT REPORT - MORGAN STANLEY

MOTION by Monaghan, SUPPORTED by Poynter:

To receive and file the Managed Account Report for the first quarter ending September 30, 2008, as submitted by Michael Holycross of Morgan Stanley.

ABSENT: Butler and Szymanski.

MOTION CARRIED

Mr. Michael Holycross of Morgan Stanley presented the quarterly report, and answered any questions.

Chairman Burke left the meeting at 8:18 p.m. and Vice-Chair Monaghan assumed the chair.

ERS 11-28-06             2007 ACTUARIAL PRESENTATION

MOTION by Poynter, SUPPORTED by Nawrocki:

To receive and file the Actuarial Valuation as of December 31, 2007, for the City of Harper Woods Employees Retirement System as prepared by Rodwan Consulting Company.

ABSENT: Burke, Butler and Szymanski.

MOTION CARRIED

Sandra Rodwin and Denise Jones of Rodwin Associates reviewed and discussed the 2007 Actuarial Valuation with the Trustees.

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

Vice-Chair Monaghan commented on not voting to excuse Trustee Butler, saying that this is the second meeting in row that he has missed, and that no prior notice was given to the Board about missing the meeting, so he could not vote to excuse him.

ERS 11-29-08

ADJOURNMENT

MOTION by Nawrocki, SUPPORTED by Poynter:

That the agenda of the regular Board of Trustees Employees Retirement System Meeting having been acted upon the meeting is hereby adjourned at 8:24 p.m.

ABSENT: Burke, Butler and Szymanski.

MOTION CARRIED

\_\_\_\_\_  
JAMES BURKE, CHAIRPERSON

\_\_\_\_\_  
MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS  
BOARD OF TRUSTEES  
EMPLOYEES RETIREMENT SYSTEM  
FEBRUARY 2, 2009

MEETING MINUTES

The Employees Retirement System Meeting was called to order by Chairperson James Burke at 6:30 p.m.

ROLL CALL

PRESENT: Chairperson James Burke, Vice Chairperson Michael P. Monaghan and Trustee(s) Darren Harville, Robert Koss, Maria Nawrocki, Kenneth A. Poynter and John Szymanski.

ABSENT: None.

OTHERS PRESENT: Mickey D. Todd, Secretary and Brian Green of Morgan Stanley.

ERS 02-01-09

MINUTES

MOTION by Poynter, SUPPORTED by Monaghan:

To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held November 24, 2008.

MOTION CARRIED UNANIMOUSLY

ERS 02-02-09

CONSENT AGENDA

RESOLUTION by Poynter, SUPPORTED by Szymanski:

BE IT RESOLVED to approve Consent Agenda items (a) through (g):

- a. Receive and file the quarterly financial reports from Franklin Templeton Investments and Orleans Capital Management.
- b. Approve quarterly payments to Franklin Templeton Investments (\$12,724.04), and Orleans Capital Management (\$11,094.73).
- c. Approve quarterly payment to Morgan Stanley for Financial Consultant Services. (\$16,279.71)
- d. Receive and file the Financial Statements from Comerica Bank for the fourth quarter of 2008.

- e. Approve payment to Comerica Bank for Trustee Services for the fourth quarter of 2008. (\$5,775.62)
- f. Receive, approve and file the Retirement Board meeting calendar for 2009.
- g. Receive and file employee representative election notices.

ROLL CALL VOTE

YES: Harville, Koss, Monaghan, Nawrocki, Poynter, Szymanski and Burke.  
NO: None.

RESOLUTION ADOPTED UNANIMOUSLY

ERS 02-03-09            FINANCIAL CONSULTANTS MANAGED ACCOUNT  
REPORT - MORGAN STANLEY DEAN WITTER

MOTION by Monaghan, SUPPORTED by Nawrocki:  
To receive and file the Managed Account Report for the fourth quarter ending December 31, 2008, as submitted by Michael Holycross of Morgan Stanley.

MOTION CARRIED UNANIMOUSLY

Mr. Brian Green of Morgan Stanley presented the quarterly report, and answered any questions.

ERS 02-04-09            2009 STATEMENT OF INVESTMENT POLICY  
OBJECTIVES AND GUIDELINES

RESOLUTION by Szymanski, SUPPORTED by Poynter:  
To adopt the 2009 Statement of Investment Policy, Objectives and Guidelines for the retirement system portfolio as submitted by Michael Holycross of Morgan Stanley. (Attachment #1)

ROLL CALL VOTE

YES: Koss, Monaghan, Nawrocki, Poynter, Szymanski, Burke and Harville.  
NO: None.

RESOLUTION ADOPTED UNANIMOUSLY

ERS 02-05-08            2009 ASSET ALLOCATION

RESOLUTION by Monaghan, SUPPORTED by Szymanski:  
To adopt the following Target Asset Allocation for 2009 as recommended by Michael Holycross

of Morgan Stanley:

50% Domestic Equities  
10% International Equities  
5% Emerging Market Equities  
35% Fixed Income

ROLL CALL VOTE

YES: Monaghan, Nawrocki, Poynter, Szymanski, Burke, Harville and Koss.

NO: None.

RESOLUTION ADOPTED UNANIMOUSLY

ERS 02-06-09            ELECTION OF CHAIR AND VICE-CHAIR FOR 2009

MOTION by Poynter, SUPPORTED by Szymanski:

To re-elect Trustee James Burke as Chairperson for 2009, and Trustee Michael Monaghan as Vice-Chairperson for 2009.

MOTION CARRIED UNANIMOUSLY

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

ERS 02-07-09            ADJOURNMENT

MOTION by Monaghan, SUPPORTED by Szymanski:

That the agenda of the regular Board of Trustees Employees Retirement System Meeting having been acted upon the meeting is hereby adjourned at 7:10 p.m.

MOTION CARRIED UNANIMOUSLY

\_\_\_\_\_  
JAMES BURKE, CHAIRPERSON

\_\_\_\_\_  
MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS  
BOARD OF TRUSTEES  
EMPLOYEES RETIREMENT SYSTEM  
MAY 11, 2009

MEETING MINUTES

The Employees Retirement System Meeting was called to order by Chairperson James Burke at 7:00 p.m.

ROLL CALL

PRESENT: Chairperson James Burke, Vice Chairperson Michael P. Monaghan and Trustee(s) Darren Harville, Robert Koss and Maria Nawrocki.

ABSENT: Trustee(s) Kenneth A. Poynter and John Szymanski.

OTHERS PRESENT: Mickey D. Todd, Secretary and Michael Holycross and Brian Green of Morgan Stanley and John Gordon of Orleans Capital Management.

ERS 05-08-09

EXCUSE TRUSTEES

MOTION by Monaghan, SUPPORTED by Nawrocki:

To excuse Trustee(s) Kenneth A. Poynter and John Szymanski from today's meeting because of prior commitments.

ABSENT: Poynter and Szymanski.

MOTION CARRIED

ERS 05-09-09

MINUTES

MOTION by Monaghan, SUPPORTED by Nawrocki:

To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held February 2, 2009.

ABSENT: Poynter and Szymanski.

MOTION CARRIED

ERS 05-10-09

CONSENT AGENDA

RESOLUTION by Monaghan, SUPPORTED by Nawrocki:

BE IT RESOLVED to approve Consent Agenda items (a) through (f):

- a. Receive and file the quarterly financial reports from Franklin Templeton Investments and Orleans Capital Management.
- b. Approve quarterly payments to Franklin Templeton Investments (\$5,180.24) and Orleans Capital Management (\$8,530.97 ).
- c. Approve quarterly payment to Morgan Stanley for Financial Consultant Services. (\$13,181.00)
- d. Receive and file the Financial Statements from Comerica Bank for the first quarter of 2009.
- e. Approve payment to Comerica Bank for Trustee Services for the first quarter of 2009. (\$4,147.67 )
- f. Adopt EDRO resolution re: Ciechanowski v Ciechanowski.

ROLL CALL VOTE

YES: Harville, Koss, Monaghan, Nawrocki and Burke.

NO: None.

ABSENT: Poynter and Szymanski.

RESOLUTION ADOPTED

MANAGER REPORT - ORLEANS CAPITAL MANAGEMENT

Mr. John Gordon of Orleans Capital Management, reviewed and discussed both the Bond Fund and the Energy Fund portfolios. No action was taken.

ERS 05-11-09

FINANCIAL CONSULTANTS MANAGED ACCOUNT  
REPORT - MORGAN STANLEY DEAN WITTER

MOTION by Monaghan, SUPPORTED by Nawrocki:

To receive and file the Managed Account Report for the first quarter ending March 31, 2009, as

submitted by Michael Holycross of Morgan Stanley, and furthermore, schedule a special meeting for 6:00 p.m. on Monday, June 1, 2009 to consider the recommended changes to the portfolio.

ABSENT: Poynter and Szymanski.

MOTION CARRIED

Mr. Michael Holycross and Brian Green of Morgan Stanley presented the quarterly report, and answered any questions.

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

ERS 05-12-09

ADJOURNMENT

MOTION by Monaghan, SUPPORTED by Nawrocki:

That the agenda of the regular Board of Trustees Employees Retirement System Meeting having been acted upon the meeting is hereby adjourned at 8:58 p.m.

ABSENT: Poynter and Szymanski.

MOTION CARRIED

---

JAMES BURKE, CHAIRPERSON

---

MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS  
BOARD OF TRUSTEES  
EMPLOYEES RETIREMENT SYSTEM  
JUNE 1, 2009

SPECIAL MEETING MINUTES

The Employees Retirement System Meeting was called to order by Chairperson James Burke at 6:00 p.m.

ROLL CALL

PRESENT: Chairperson James Burke, Vice Chairperson Michael P. Monaghan and Trustee(s) Robert Koss, Maria Nawrocki, Kenneth A. Poynter and John Szymanski.

ABSENT: Trustee Darren Harville.

OTHERS PRESENT: Mickey D. Todd, Secretary and Michael Holycross of Morgan Stanley.

ERS 06-13-09

EXCUSE TRUSTEE HARVILLE

MOTION by Poynter, SUPPORTED by Szymanski:

To excuse Trustee Darren Harville from today's meeting because of prior commitments.

ABSENT: Harville.

MOTION CARRIED

PORTFOLIO REVIEW AND RECOMMENDATION

The Trustees reviewed and discussed the recommended changes to the portfolio from Planning Consultant Michael Holycross of Morgan Stanley. After the discussion, they directed the Secretary to advise Mr. Holycross that they agree to a ten percent allocation of the existing equity portfolio, rather than the requested twenty percent, and to meet again on June 15<sup>th</sup> to finalize the change.

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

ERS 06-14-09

ADJOURNMENT

MOTION by Monaghan, SUPPORTED by Szymanski:

That the agenda of the regular Board of Trustees Employees Retirement System Meeting having been acted upon the meeting is hereby adjourned at 6:55 p.m.

ABSENT: Harville.

MOTION CARRIED

\_\_\_\_\_  
JAMES BURKE, CHAIRPERSON

\_\_\_\_\_  
MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS  
BOARD OF TRUSTEES  
EMPLOYEES RETIREMENT SYSTEM  
AUGUST 10, 2009

MEETING MINUTES

The Employees Retirement System Meeting was called to order by Vice-Chair Michael P. Monaghan at 6:30 p.m.

ROLL CALL

PRESENT: Vice Chairperson Michael P. Monaghan and Trustee(s) Darren Harville, Robert Koss, Kenneth A. Poynter and John Szymanski.

ABSENT: Trustee(s) James Burke and Maria Nawrocki.

OTHERS PRESENT: Mickey D. Todd, Secretary and Brian Green of Morgan Stanley.

ERS 08-19-09

EXCUSE TRUSTEES

MOTION by Poynter, SUPPORTED by Szymanski:

To excuse Trustee(s) James Burke and Maria Nawrocki from today's meeting because of prior commitments.

ABSENT: Burke and Nawrocki.

MOTION CARRIED

ERS 08-20-09

MINUTES

MOTION by Szymanski, SUPPORTED by Poynter:

To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held May 11, 2009, and the special meeting minutes of June 1, 2009 and June 15, 2009.

ABSENT: Burke and Nawrocki.

MOTION CARRIED

ERS 08-21-09

ADDENDUM TO AGENDA

MOTION by Szymanski, SUPPORTED by Poynter:

To add to the consent agenda the letter from the Sally Graham, Dial-A-Ride director announcing her retirement.

ABSENT: Burke and Nawrocki.

MOTION CARRIED

ERS 08-22-09

CONSENT AGENDA

RESOLUTION by , SUPPORTED by :

BE IT RESOLVED to approve Consent Agenda items (a) through (h):

- a. Receive and file the quarterly financial reports from Franklin Templeton Investments and Orleans Capital Management.
- b. Authorize quarterly payments to Franklin Templeton Investments (\$6,219.63), and Orleans Capital Management (\$9,365.95).
- c. Authorize quarterly payment to Morgan Stanley for Financial Consultant Services (\$12,854.22).
- d. Receive and file the Financial Statements from Comerica Bank for the second quarter of 2009.
- e. Authorize payment to Comerica Bank for Trustee Services for the second quarter of 2009. (\$4,471.71)
- f. Authorize payment to Rodwan Consulting Company for normal actuarial services/annual actuarial valuation (\$8,900).
- g. Receive and file the Investment Management Agreement between the City of Harper Woods Employees Retirement System and Reinhart Partners, Inc. (Attachment #1)
- h. Receive and file the letter dated August 10, 2009 from Sally Graham announcing her retirement effective August 28, 2009.

ROLL CALL VOTE

YES: Harville, Koss, Monaghan, Poynter and Szymanski.

NO: None.

ABSENT: Burke and Nawrocki.

RESOLUTION ADOPTED

ERS 08-23-09            FINANCIAL CONSULTANTS MANAGED ACCOUNT  
REPORT - MORGAN STANLEY DEAN WITTER

MOTION by Poynter, SUPPORTED by Szymanski:

To receive and file the Managed Account Report for the second quarter of 2009, as submitted by Michael Holycross of Morgan Stanley. (Attachment #2)

ABSENT: Burke and Nawrocki.

MOTION CARRIED

Mr. Brian Green of Morgan Stanley presented the quarterly report, and answered any questions, and added that the portfolio is up to \$30.5 million as of yesterday.

ERS 08-24-09            2008 ACTUARIAL REPORT

MOTION by Poynter, SUPPORTED by Szymanski:

To receive and file the 2008 Actuarial Valuation as of December 31, 2008, for the City of Harper Woods Employees Retirement System as prepared by Rodwan Consulting Company, and request that the report be presented to the Board at the November meeting.

ABSENT: Burke and Nawrocki.

MOTION CARRIED

ERS 08-25-09            2008 ANNUAL REPORT

MOTION by Szymanski, SUPPORTED by Poynter:

To receive and file the Summary Annual Report for 2008. (Attachment #3)

ABSENT: Burke and Nawrocki.

MOTION CARRIED

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

ERS 08-26-09

ADJOURNMENT

MOTION by Harville, SUPPORTED by Szymanski:

That the agenda of the regular Board of Trustees Employees Retirement System Meeting having been acted upon the meeting is hereby adjourned at 6:37 p.m.

ABSENT: Burke and Nawrocki.

MOTION CARRIED

---

MICHAEL P. MONAGHAN VICE CHAIR

---

MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS  
BOARD OF TRUSTEES  
EMPLOYEES RETIREMENT SYSTEM  
NOVEMBER 23, 2009

MEETING MINUTES

The Employees Retirement System Meeting was called to order by Chairperson James Burke at 7:00 p.m.

ROLL CALL

PRESENT: Chairperson James Burke, Vice Chairperson Michael P. Monaghan and Trustee(s) Maria Nawrocki, Kenneth A. Poynter and John Szymanski.

ABSENT: Trustee(s) Darren Harville and Robert Koss.

OTHERS PRESENT: Mickey D. Todd, Secretary, Laura L. Stowell, Finance Director, Brian C. Green of Morgan Stanley and Sandy Rodwin of Rodwin Associates.

ERS 11-27-09

EXCUSE TRUSTEES

MOTION by Szymanski, SUPPORTED by Monaghan:  
To excuse Trustee(s) Darren Harville and Robert Koss from today's meeting because of prior commitments.

ABSENT: Harville and Koss.

MOTION CARRIED

Trustee Monaghan asked that Commissioners inform the Board in advance through the Secretary if they intend on missing a meeting, so that we can be sure that there are enough Trustees for a quorum.

ERS 11-28-09

MINUTES

MOTION by Monaghan, SUPPORTED by Poynter:  
To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held August 10, 2009.

ABSENT: Harville and Koss

MOTION CARRIED

ERS 11-29-09

CONSENT AGENDA

RESOLUTION by Monaghan, SUPPORTED by Szymanski:

BE IT RESOLVED to approve Consent Agenda items (a) through (i):

- a. Receive and file the quarterly financial reports from Franklin Templeton Investments and Orleans Capital Management.
- b. Approve quarterly payments to Franklin Templeton Investments (\$7,295.94), Orleans Capital Management (\$10,257.62 ) and Reinhart Partners, Inc (\$1,330.00).
- c. Approve quarterly payment to Morgan Stanley for Financial Consultant Services. (\$13,642.34)
- d. Receive and file the Financial Statements from Comerica Bank for the third quarter of 2009.
- e. Approve payment to Comerica Bank for Trustee Services for the quarter of 2009. (\$4,650.43)
- f. Approve payment to VanOverbeke, Michaud & Timmony, P.C. for quarterly legal services. (\$1,193.50)
- g. Receive and file Election of Type of Pension from retiree Sally A. Graham.
- h. Receive and file the retirement notice and Election of Type of Pension from Public Works retiree Roy C. Bedwell.
- i. Receive and file the retirement notice from Public Works employee Michael Pokriefka..

ROLL CALL VOTE

YES: Monaghan, Nawrocki, Poynter, Szymanski and Burke.

NO: None.

ABSENT: Harville and Koss.

RESOLUTION ADOPTED

MANAGER PRESENTATION - FRANKLIN TEMPLETON

Mr. Michael A. Wasz, Franklin Templeton Advisors, reviewed and discussed the structure and philosophy of their investment strategy for the International Equity Fund.

ERS 11-30-09      FINANCIAL CONSULTANTS MANAGED ACCOUNT  
REPORT - MORGAN STANLEY SMITH BARNEY

MOTION by Monaghan, SUPPORTED by Szymanski:

To receive and file the Managed Account Report for the third quarter ending September 30, 2009, as submitted by Michael Holycross of Morgan Stanley, and furthermore, approve of the recommended re-balancing of the portfolio as shown in Attachment #1.

ABSENT: Harville and Koss.

MOTION CARRIED

Mr. Brian C. Green of Morgan Stanley presented the quarterly report, and answered any questions.

ERS 11-31-09 DUTY DISABILITY RETIREMENT - DAVID EMMENDORFER

RESOLUTION by Poynter, SUPPORTED by Szymanski:

BE IT RESOLVED to adopt the following resolution:

WHEREAS, the Board of Trustees received a letter dated August 11, 2009, from David Emmendorfer requesting a duty disability retirement, and

WHEREAS, in accordance with Section 2-812 of the Employees Retirement System Ordinance, the Retirement Board does hereby appoint Dr. Robert J. Kantor, M.D., of MEG, Southfield, Michigan as the Board's Medical Advisor, and

WHEREAS, Dr. Robert J. Kantor has opined in a letter dated September 4, 2009, that David Emmendorfer will not be able to perform in the capacity Police Officer, and

WHEREAS, the Board of Trustees has found the disability to be a natural and proximate result of cause arising out of and in the course of the member's employment with the City, now

THEREFORE BE IT RESOLVED, that a duty disability retirement be granted effective October 28, 2009, and

FURTHER RESOLVED, that the benefits be paid consistent with the pension provisions, and

FURTHER RESOLVED, that retirant be periodically re-examined in accordance with

Retirement System provisions and policies, and

FURTHER RESOLVED, that a copy of this resolution be provided to the City Administration, the Police Chief and David Emmendorfer.

ROLL CALL VOTE

YES: Koss, Monaghan, Nawrocki, Poynter, Szymanski, Burke and Harville.

NO: None.

ABSENT: Harville and Koss.

RESOLUTION ADOPTED

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

ERS 11-32-09

ADJOURNMENT

MOTION by Monaghan, SUPPORTED by Szymanski:

That the agenda of the regular Board of Trustees Employees Retirement System Meeting having been acted upon the meeting is hereby adjourned at 8:25 p.m.

ABSENT: Harville and Koss.

MOTION CARRIED

\_\_\_\_\_  
JAMES BURKE, CHAIRPERSON

\_\_\_\_\_  
MICKEY D. TODD, SECRETARY

